Form 3160-3 (July 1992)

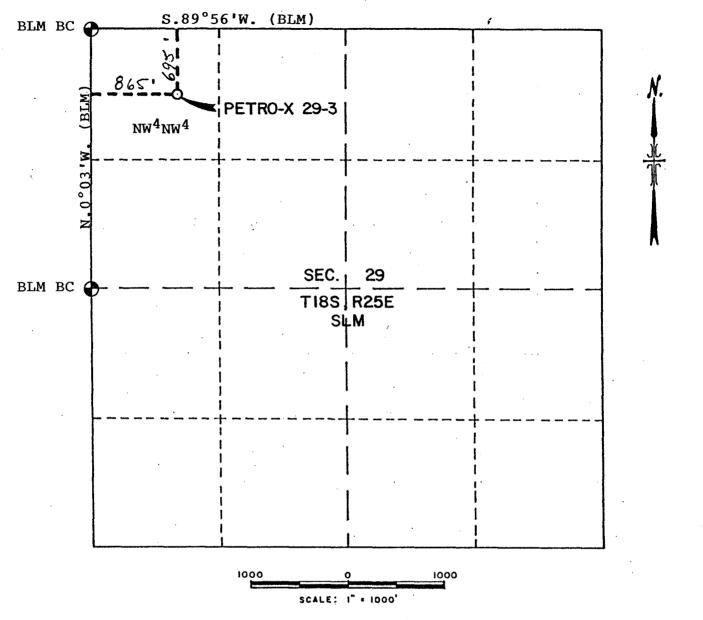
SUBMIT IN TRIPLICATE*

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

UNITED STATES

(Other instructions on reverse side)

DEPARTMENT OF THE INTERIOR				5. LEASE DESIGNATION AND SERIAL N		
BUREAU OF LAND MANAGEMENT					<u>UTU-69950</u>	
APPLICATION FOR PERMIT TO DRILL OR DEEPEN					6. IF INDIAN, ALLOTTEE OR TRIBE NAM	
1a. TYPE OF WORK	LL \(\text{\tint{\text{\tin}\text{\ti}\tint{\text{\text{\text{\text{\text{\text{\text{\text{\text{\tin}\tint{\text{\text{\text{\text{\text{\text{\text{\text{\text{\tin}}}\\ \text{\text{\text{\text{\text{\text{\text{\text{\text{\ti}\}\tittt{\text{\text{\text{\text{\text{\text{\text{\text{\ti}\}\tittt{\text{\text{\text{\text{\text{\text{\text{\text{\text{\ti}\tilit{\text{\text{\texi}\text{\texi}\tilithtt{\text{\text{\ti}\}\tittt{\text{\texi}\til\text{\text{\text{\texit{\text{\	DEEPEN				7. UNIT AGREEMENT NAME
WELL W	AS XX OTHER			NGLE MULTIP	LE	8. FARM OR LEASE NAME, WELL NO.
2. NAME OF OPERATOR	ETRO-X CORPO	RATION				0 477.11774 110
3. ADDRESS AND TELEPHONE NO.			T 0.4	152 0205		9. PETRO-X 29-3
Р.	O. BOX 52020	b, SLC, U	T 84	152-0205		10. HARPANDYPOODOMETILDCAT
4. LOCATION OF WELL (R. At surface	eport location clearly and	in accordance wit	th any S	tate requirements.*)		
695 At proposed prod. zon	FNL', 865'					11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA 29, T18S, R25E
14. DISTANCE IN MILES	AND DIRECTION FROM NEAR	REST TOWN OR POS	T OFFICE	*	-	12. COUNTY OR PARISH 13. STATE
•	6 MILES CISC) IIT 845	15			GRAND UT
15. DISTANCE FROM PROPO LOCATION TO NEAREST	SED*	O, OI 043	16. NO	OF ACRES IN LEASE		OF ACRES ASSIGNED HIS WELL
DRADEDEV OR TRACE Y		5 '		2116.0	101	40.0 ACRES
 DISTANCE FROM PROP TO NEAREST WELL, D 	OSED LOCATION* RILLING, COMPLETED,		19. PR	OPOSED DEPTH	20. ROTA	RY OR CABLE TOOLS
OR APPLIED FOR, ON THE	130	0,		1250'	<u> </u>	ROTARY 22. APPROX. DATE WORK WILL STAI
21. BESTATIONS (BEOW WILL	4854	FT GR				JUN 1993
23.			NG ANI	CEMENTING PROGRA	M	
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER F	оот	SETTING DEPTH	1	QUANTITY OF CEMENT
12 5/8"	7 5/8	24#		_160' (EMENT	ED BACK TO SUR.
6 3/4"	4 1/2	9.5		T.D.	1	NTED 400' ABOVE
					1	EST WATER OR PROD ENCOUNTERED.
LINE THE ON THE C SEPERATI	NG LÍNE, ON L AT IS 400' SO GATHERING SYS	ERATOR IN EASE DIRE UTH. A C TEM TO RE	TENI CONNI ECELV	DS TO INSTALI 7 TO AN EXIST ECTION VALVE 7 GAS FROM T	TING G IS PR THIS W	LDED 3 1/2" ATHERING ESENT
N ABOVE SPACE DESCRIB	E PROPOSED PROGRAM: 1f nent data on subsurface locatio	proposal is to deepen,	give data	on present productive zone	and propose	DIVISION OF CAS ELLINING d new productive zone. If proposal is to dri
24.					F	10 MAY 93
SIGNED Lan.	HCKIT	TI	ri.e	PRESIDENT		DATE
(This space for Fede	ral or State office use)			AF	PRO	VED BY THE STATE
PERMIT NO. 43	-019-31343	3		APPROVAL DATE	OF U	TAH DIVISION OF
Application approval does a	not warrant or certify that the apple. IF ANY:	plicant holds legal or e	quitable ti	D/	A:E:.	would entitle the application consists up of some
				B	/:	72/12/

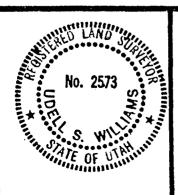


PETRO-X 29-3

Located 695 feet from North line and 865 feet from West line of Section 29, T185, R25E, SLM.

Elev. 4854

Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF





UDELL S. WILLIAMS

Professional Land Surveyor 751 Rood Avenue (303) 243-4594 Grand Junction, Colorado 81501

PLAT OF PROPOSED LOCATION

PETRO-X 29-3 NW⁴NW⁴ SEC. 29 T18S, R25E, SLM

SURVEYED BY: USW DATE: 4/16/93

DRAWN BY: USW DATE: 4/17/93

DRILLING APPLICATION

PETRO-X 29-3 NW/4 NW/4, SECTION 29, T18S, R25E

1. GEOLOGICAL NAME AND FORMATION:

MANCOS SHALE

2. & 3. GEOLOGICAL TOPS AND FORMATION DEPTHS:

MANCOS SHALE: SURFACE TO 650'

CRETACEOUS DAKOTA: 650' TO 750'

JURASSIC MORRISON: 750' TO 1000'

JURASSIC SALT WASH: 1000' TO 1250'

4. CASING PROGRAM:

7 5/8" SURFACE CASING 120', CEMENTED BACK TO THE SURFACE.
J-55 CASING OR HIGHER GRADE TO BE UTILIZED. THE PRODUCTION CASING
WILL BE 9.5 LBS 4 1/2" SET TO TOTAL DEPTH. THE PRODUCTION CASING
WILL BE CEMENTED TO A MINIMUM OF 400 FT ABOVE THE HIGHEST WATER OR
HYDROCARBON ZONE ENCOUNTERED.

5. PRESSURE CONTROL EQUIPMENT:

OPERATOR INTENDS TO UTILIZE AN EIGHT INCH BORE HYDRIL BOP, OR ITS EQUIVALENT, CAPABLE OF WITHSTANDING 3000 PSI. NO WELL IN THIS AREA HAS EXPERIENCED PRESSURE IN EXCESS OF 500 PSI.

6. DRILLING AND CIRCULATING MEDIUM:

OPERATOR INTENDS TO DRILL WITH COMPRESSED AIR TO A POINT DESIGNATED AS THE "A" ZONE MARKER, OR JUST ABOVE THE ANTICIPATED DAKOTA FORMATION. AT THAT LEVEL, THE WELL BORE WILL BE DRILLED UTILIZING A SALT BASED POLYMER MUD. THE MUD WILL BE WEIGHTED AS NECESSARY TO MAINTAIN WELL CONTROL. ANY DRILLING FLUIDS UTILIZED WILL BE REMOVED FROM THE SITE FOR DISPOSAL.

WHILE THE INITIAL AIR DRILLING IS TAKING PLACE, THE OPERATOR WILL BE MISTING TO ELIMINATE THE DUST.

7. AUXILIARY EQUIPMENT:

A. KELLY COCK -- DEMLO. B. FLOATS AT THE BIT -- YES, AND ON THE DRILL STRING. C. NO MONITORING EQUIPMENT WILL BE USED ON ANY MUD UTILIZED. THE DRILLER ON TOWER WILL BE RESPONSIBLE TO MONITOR THE MUD BY CHECKING THE VISCOSITY AND WEIGHT DURING HIS TOWER UNDER THE SUPERVISION OF THE SITE SUPERVISOR. D. A SUB WITH A FULL OPENING VALVE WILL BE AVAILABLE ON THE FLOOR. FILL AND KILL LINES

PAGE 2
DRILLING APPLICATION
PETRO-X 29-3

7. AUXILIARY EQUIPMENT: (CONTINUED)

D. WILL BE INSTALLED ON TOP OF THE SURFACE CASING, JUST BELOW THE BOP. A VALVE WILL BE PLACED ON EACH OF THE FILL AND KILL LINES. E. A MANIFOLD CHOKE WILL BE INSTALLED ON ONE OF THE FILL AND KILL LINES.

8. TESTING, LOGGING AND CORING:

THE WELL WILL BE LOGGED UPON REACHING TOTAL DEPTH. AN IES LOG WILL BE RUN. THE OPERATOR DOES NOT INTEND TO CORE THE WELL. IN THE EVENT THE WELL IS CASED AS A POTENTIAL PRODUCER, A BOND LOG WILL BE RUN PRIOR TO PERFORATION. SAMPLES WILL BE COLLECTED EVERY TEN (10') COMMENCING APPROXIMATELY 100' ABOVE THE FIRST ANTICIPATED HYDROCARBON ZONE.

9. BOTTOM HOLE PRESSURES:

THE MAXIMUM BOTTOM HOLE PRESSURE IS ANTICIPATED TO BE LESS THAN 500 PSI. THE OPERATOR IS PREPARED TO CONTROL IN EXCESS OF 3,000 PSI.

10. STARTING DATE:

THE OPERATOR INTENDS TO COMMENCE DRILLING APPROXIMATELY 7 DAYS AFTER THE COMPLETION OF THE PETRO-X 29-1. IT IS ANTICIPATED THAT A TOTAL OF FIVE DAYS TO MOBILIZE AND TO COMPLETE DRILLING. AN ADDITIONAL TWO DAYS IS ANTICIPATED FOR COMPLETION OF THIS WELL, OR SUBSEQUENT PLUGGING AND ABANDONMENT.

DATED THIS THE 10TH DAY OF MAY, 1993

BY: M

PETRO-X CORPORATION

DEAN H. CHRISTENSEN

PRESIDENT

MULTIPOINT AND SURFACE USE PLAN PETRO-X 29-3 WELL

1. EXISTING ROADS AND PLANNED ACCESS:

A ROAD CURRENTLY EXISTS TO THE SOUTH OF THIS PROPOSED WELL LOCATION. AN ACCESS ROAD APPROXIMATELY 487' IN LENGTH WILL BE NECESSARY TO BE BUILT FOR ACCESS. THE NEW ACCESS ROAD WILL ALL BE ON LEASE, BUT AN AMENDMENT TO RIGHT OF WAY UTU-67327 HAS BEEN APPLIED FOR WHICH WILL COVER THIS NEW ACCESS ROAD. THE CURRENT ROAD TO BE USED FOR ACCESS ENDS AT THE COMPRESSOR SITE IN SECTION 29, IMMEDIATELY TO THE WEST OF THIS PROPOSED LOCATION. THE NEW ACCESS ROAD WILL FOLLOW THE EXISTING PIPELINE ROW UTU-67327. 487 FOOT OF NEW ROAD WILL BE CONSTRUCTED DIRECTLY NORTH FROM THIS PIPELINE TO THIS LOCATION.

2. LOCATION OF EXISTING WELLS:

APPROXIMATELY 3000 PLUS FEET TO THE SOUTH WEST IS THE BELCO (ENRON) 30-1 WELL. THIS WELL WAS DRILLED IN THE LATE 1950'S AND IS CURRENTLY TIED INTO THE WESTWATER GATHERING FACILITY OWNED BY PETRO-X CORPORATION. AN ADDITIONAL WELL EXISTS IN SECTION 21, TO THE NORTH EAST AND IS KNOWN AS THE AMBRA 21-1. A FINAL WELL IN THE IMMEDIATE AREA IS KNOWN AS THE LANSDALE #8, AND IS LOCATED IN SECTION 27.

3. LOCATION OF EXISTING OR PROPOSED FACILITIES:

IN THE EVENT THAT THIS IS COMPLETED AS A GAS WELL, A NATURAL GAS GATHERING LINE IS LOCATED APPROXIMATELY 800 TO THE NORTH. THIS FACILITY IS NOT ON LEASE. THE OPERATOR WILL SUBMIT AN AMENDMENT TO RIGHT OF WAY UTU-67327 FOR APPROVAL OF THIS EXTENSION OF THE GATHERING LINE.

IF AN OIL COMPLETION IS SUCCESSFUL, THE TANK BATTERIES AND EQUIPMENT WILL ALL BE ON LEASE. A SUNDRY NOTICE WILL BE SUBMITTED AS NECESSARY.

4. LOCATION AND TYPE OF WATER SUPPLY:

ALL WATER NECESSARY FOR THE DRILLING OF THIS WELL WILL BE PURCHASED FROM A COMMERCIAL WATER HAULER, AABLE TRUCKING OF MOAB, UTAH.

5. SOURCE OF CONSTRUCTION MATERIALS:

SOURCE MATERIALS WILL BE TAKEN FROM THE SITE. ANY GRAVEL NECESSARY TO USE AS BASE MATERIAL FOR TANKS, ETC. WILL BE PURCHASED FROM COMMERCIAL SOURCES AND TRUCKED TO THE SITE.

6. METHODS OF HANDLING WASTE DISPOSAL:

A. CUTTINGS: BURIED IN THE RESERVE PIT

PAGE 2 MULTIPOINT AND SURFACE USE PLAN PETRO-X 29-3 WELL

- B. DRILLING FLUIDS: HAULED TO A COMMERCIAL DISPOSAL FACILITY AFTER THE COMPLETION OF ALL DRILLING ACTIVITIES.
- C. PRODUCED FLUIDS: ANY OIL WILL BE SOLD IS SALVAGED, OR BURNED IN THE PIT AND COVERED IF NOT SALEABLE. ANY WATER THAT DOES NOT EVAPORATE WILL BE HAULED FROM THE SITE TO A COMMERCIAL DISPOSAL POND.
 - D. SEWAGE: A PORTA POTTY WILL BE PLACED ON THE SITE.
- E. GARBAGE: BURNED AND BURIED IN THE RESERVE PIT. PAPERS AND SACKS WILL BE COLLECTED AND BURNED.
- F. UPON THE COMPLETION OF THE PROPOSED WELL AS EITHER A DRY HOLE OR AS A COMMERCIAL WELL, THE ENTIRE SITE WILL BE CLEANED UP, SOIL WILL CONTOURED, SEEDS DRILLED INTO THE SITE AS DIRECTED. THE WELL HEAD WILL BE FENCED IF A COMMERCIAL WELL, OR A DRY HOLE MARKER WILL BE FABRICATED AND ERECTED TO MARK THE LOCATION.
- 7. AUXILIARY EQUIPMENT/FACILITIES:

DEPENDENT UPON THE DRILLING RESULTS, A SEPARATE APPLICATION FOR AN ON LEASE GATHERING SYSTEM, STORAGE TANKS, ETC., WILL BE COMPLETED VIA A SUNDRY NOTICE.

8. WELL LAYOUT AND DIAGRAM:

SEE ATTACHED SITE PLAN.

9. PLANS FOR RESTORATION OF THE SURFACE:

THE SURFACE IMPACT WILL BE MITIGATED AS MUCH AS POSSIBLE BY THE OPERATOR. THE TOPSOIL WILL BE STACKED ON THE EDGE OF THE PAD TO BE REDISTRIBUTED AS SOON AS THE WORK IS COMPLETED AND ALL NECESSARY CONSTRUCTION IS FINISHED. THE SOIL WILL BE GROOVED, ETC., AT THE DIRECTION OF THE GRAND RESOURCE AREA, AND THE DIRECTED SEED MIX WILL BE PLANTED. THE SEEDS WILL BE PLANTED IN THE LATE FALL OR EARLY SPRING TO INSURE THE BEST CHANCE FOR GERMINATION AND GROWTH.

- 10. N/A
- 11. LESSEE'S OR OPERATORS REPRESENTATIVE:

DONALD M. WIEGAND P. O. BOX 150306 CISCO, UTAH 84515 801-564-3543 (H) DEAN H. CHRISTENSEN
P. O. BOX 520205
SALT LAKE CITY, UTAH 84152-0205
801-467-7171, 467-7193 (FAX)
801-278-3118 (H)

MULTIPOINT AND SURFACE USE PLAN PAGE 3 PETRO-X 29-3 WELL

12. CERTIFICATION:

I HEREBY VERIFY THAT I, OR PERSONS UNDER MY DIRECT SUPERVISION AND CONTROL HAVE INSPECTED THE PROPOSED DRILL SITE AND ACCESS ROUTES. THAT STATEMENTS MADE IN THIS USE PLAN ARE, TO THE BEST OF MY KNOWLEDGE, ARE CORRECT. THAT THE WORK WILL BE PERFORMED BY THE CONTRACTOR AND HIS SUBCONTRACTORS IN FULL CONFORMITY WITH THIS PLAN AND THE TERMS AND CONDITIONS UNDER WHICH IT IS APPROVED.

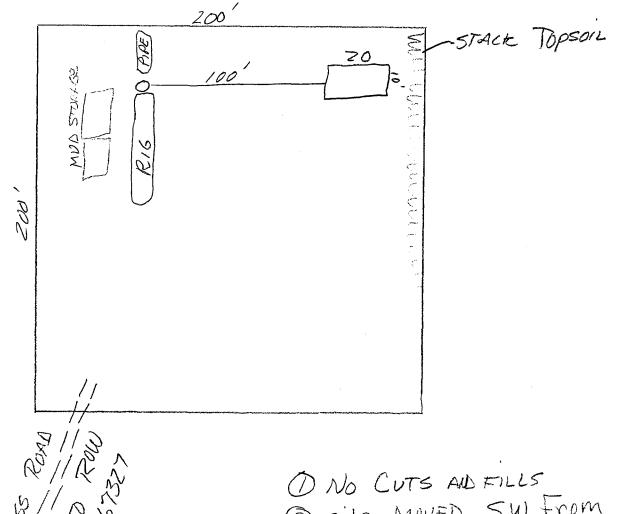
DATE: MAY 10, 1993

PETROXX CORPORATION

DEAN H. CHRISTENSEN

PRESIDENT

29-3 PAD LAYO



D SITE MOVED SW From
TOPOGRAPHIC PROBLEM
(Drop-off ON NorTH SIDE)

3 MUD STORAGE ON WEST SIDE OF PAD.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

DATE RECEIVED: 05/12/93 OPERATOR: PETRO-X CORPORATION OPERATOR ACCT NO: N- 0715 WELL NAME: PETRO-X 29-3 API NO. ASSIGNED: 43 - 0.19 - 3.1343LEASE TYPE: FED LEASE NO: UTU-69950 COUNTY GRAND COUNTY FIELD: GREATER CISCO (205) FIELD CODE: 205 RECEIVED AND/OR REVIEWED: LOCATION AND SITING: Y Plat R649-2-3. Unit: Bond (Number FEDERAL R649-3-2. General. $\sqrt{\text{Potash}(Y/N)}$ $\overline{\mu}$ Oil shale (Y/N) R649-3-3. Exception. __ Water permit (Number ✓ Drilling Unit. N RDCC Review (Y/N) Board Cause no: 102-1613 Date: 9-26-79 (Date: COMMENTS: MAY WANT TO HAVE SUNDRY FILED FOR WATER PERMIT. STIPULATIONS:

mpson, Field Tuspection Supervisor

SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

BUREAU OF LAND MANAGE	5. LEASE DESIGNATION DITU-69950	AND SERIAL NO.		
APPLICATION FOR PERMIT TO	DRILL OR DEEPE	N	6. IF INDIAN, ALLOTTER	OR TRIBE NAME
1a. TYPE OF WORK DRILL DEEPEN			7. UNIT AGREEMENT NA	ME
b. TYPE OF WELL OIL WELL OTHER 2. NAME OF OPERATOR		NE	8. FARM OR LEASE NAME, WELL	L NO.
PETRO-X CORPORATION 3. ADDRESS AND TELEPHONE NO.			9. PETRO-X 29	9-3
P. O. BOX 520205, SLC, U			10. HARLEY ODOR	LUCAT
At surface 695 FNL', 865' FWL At proposed prod. zone SAME	m any State requirements.		11. SEC., T., R., M., OB B AND SURVEY OR ARI 29, T185, R25	CA.
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POS	ST OFFICE*		12. COUNTY OR PARISH	13. STATE
26 MILES CISCO, UT 845	15		GRAND	UT
15. DISTANCE FROM PROPUSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any) 695	16. NO. OF ACRES IN LEAS 2116.0		F ACRES ASSIGNED HIS WELL 40.0 ACI	RES
18. DISTANCE FROM PEOPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1500*	19. PROPOSED DEPTH 1250'	20. ROTAE	RY OR CABLE TOULS ROTARY	~~~~~~
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4854 FT GR			JUN 1993	K WILL START*
23.	INC AND CEMENTING DEC	CDAM	1	

SEP 0 2 1993

DIVISION OF OIL, GAS & MINING

FLARING OR VENTING OF	
GAS IS SUBJECT TO NTL 4-A	١
Dated 1/1/80	

CONDITIONS OF APPROVAL AT

N ABOVE SPACE DES	CRIBE PROPOSED PROGRAM: If proposal is	to deepen, give data on present productive zone and proposed new producti	ve-zone.	If proposat but	&drill o
leepen directionally, give	e pertinent data on subsurface locations and meas	sured and true vertical depths. Give blowout preventer program, if any.	54	X -:	~; ~;
14.	\1d/-	PRESIDENT	10 M	A\$ 935	

PRESIDENT

(This space for Federal or State office use)

43-019-31343

Application approval does not warrant or certify that the applicant holds legal or equitable title to those cights in the opticant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY: /S/ WILLIAM C. STRINGER

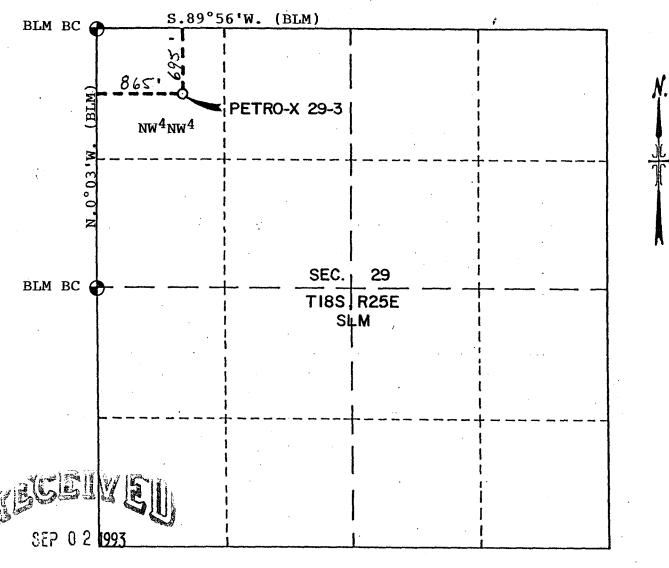
Associate District Manager

C: arn Shyluzon

APPROVED BY

*See Instructions On Reverse Side UBJEC

makes it a crime for any person knowingly and willfully to make to any department of the state o



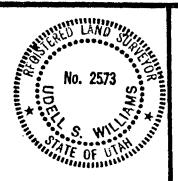
DIVISION OF OIL, GAS & MINING

1000 0 1000

PETRO-X 29-3

Located 695 feet from North line and 865 feet from West line of Section 29, T185, R25E, SLM.

Elev. 4854 Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF





UDELL S. WILLIAMS

Professional Land Surveyor 751 Rood Avenue (303) 243-4594 Grand Junction, Colorado 81501

PLAT OF PROPOSED LOCATION

PETRO-X 29-3 NW⁴NW⁴ SEC. 29 T18S, R25E, SLM

SURVEYED BY: USW DATE: 4/16/93 DRAWN BY: USW DATE: 4/17/93

SELF-CERTIFICATION STATEMENT

BE ADVISED THAT PETRO-X CORPORATION IS CONSIDERED TO BE THE OPERATOR OF WELL NUMBER PETRO-X 29-3, SECTION 29, TOWNSHIP 18 SOUTH, RANGE 25 EAST, LEASE U-69950, GRAND COUNTY, UTAH AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS.

BOND COVERAGE IS PROVIDED BY BOND NUMBER UTAH 0823.

(PRINCIPAL PETROX CORPORATION, VIA SURETY CONSENT AS PROVIDED FOR
IN 43 CFR 3104.2

THIS OFFICE WILL HOLD THE AFOREMENTIONED OPERATOR AND BOND LIABLE UNTIL THE PROVISIONS OF 43 CFR 3160.7-2 CONTINUING RESPONSIBILITY ARE MET.

PETRO-X/CORPORATION

DEAN H. CHRISTENSEN

PRESIDENT

SEP 0 2 1993

DIVISION OF OIL, GAS & MINING

FILED: PETROX\SELFCERT.293

Petro-X Corporation Petro-X 29-3 Lease U-69950 NWNW Section 29, T18S, R25E Grand County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Petro-X Corporation is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0823 (Principal - Petro-X Corporation) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a term of one year. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

:

- 1. The BOP system must be designed for 2000 psi (2M) or greater and must be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Although a 3M system was proposed in the APD, appropriate testing for a 2M system is acceptable. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary). These inspections shall be recorded on the daily drilling report.
- 2. Each casing string shall be equipped with a centralizer on each of the bottom three joints.
- 3. The production casing shall be cemented to a level above the top of the Dakota Sandstone, or to 400 feet above the highest fluid producing zone encountered, whichever is higher.
- 4. No trivalent or hexavalent chromate additives shall be used in the mud system. Due to Potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.
- 5. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- 6. Sufficient drilling mud materials will be on location to control lost circulation and combat well control problems that might reasonably be expected.

B. SURFACE USE PLAN

- 1. As specified in the lease stipulation for U-69950, no drilling will be allowed from May 15 through June 15 to protect antelope fawning. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the authorized officer.
- 2. No construction or drilling operations will be authorized between February 1 and July 15, unless additional raptor surveys are completed prior to conducting operations to identify and avoid raptor nesting sites within 1/2 mile of the proposed action. Any peregrine falcon nesting areas identified within the project area will be avoided by 1 mile. These limitations does not apply to maintenance and operation of existing wells.
- 3. The rangeland trend plot will be avoided during construction and maintenance activities on the road in T.18 S., R.25 S., Section 30, SW¼NE¼.
- 4. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer. Within five working days the authorized officer will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - a timeframe for the authorized officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the authorized officer are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the authorized officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The authorized officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the authorized officer that the required mitigation has been completed, the operator will then be allowed to resume construction.

5. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.

- 6. The operator will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.
- 7. New roads will be constructed with a flat-bladed travel surface of 12-15 feet wide. Drainage control (waterbars, ditches, crowning) will be provided and maintained to prevent erosion of the travel surface.
- 8. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling the drilling rig. If upgraded, the road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.
- 9. In the event that portions of the road right-of-way are no longer needed (the wells are not drilled or do not produce), the roads that parallel the pipelines will remain for access to the pipelines and compressor.
- 10. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
- 11. Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than the completion of drilling operations.
- 12. The blooie line will be directed into a sloped bank or other form of backstop to help reduce the amount of fugitive dust and spray escaping from the blooie pit.
- 13. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced and the top of the pit will be covered with netting of one inch or less as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.
- 14. Pipeline crossings along roads will be covered with soil and maintained to ensure there is adequate soil covering the pipeline for protection from vehicular traffic.
- 15. No vehicular traffic will be authorized cross-country pipeline construction during wet weather when soils are saturated and subject to compaction or rutting.
- 16. Production facilities on location may include a lined or unlined produced water pit as specified in NTL-2B. If water is produced from the well, an NTL-2B application must be submitted.

- 17. All permanent (on-site for six (6) months or longer) structures constructed or installed (including oil well pumping units) shall be painted a flat, nonreflective, earth tone color to blend with the local environment, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities shall be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors shall be desert brown or a flat tan as specified by the authorized officer at the time of installation.
- 18. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

<u>Building Location</u>- Contact the Resource Area, Natural Resource Protection Specialist at lease 48 hours prior to commencing construction of location.

<u>Spud</u>- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

<u>Daily Drilling Reports</u>- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

<u>Sundry Notices</u>- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

<u>Drilling Suspensions</u>- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval from the District Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

<u>Undesirable Events</u>- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

<u>Cultural Resources</u>- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

<u>First Production</u>- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

<u>Venting/Flaring of Gas</u>- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 Mmcf, whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

<u>Produced Water-</u> Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the District Office for approval pursuant to NTL-2B.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

<u>Plugging and Abandonment</u>- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Jack Johnson, Rich McClure or Lynn Jackson of the Grand Resource Area in Moab, Utah, at (801) 259-8193 for the following:

- 2 days prior to commencement of dirt work, construction and reclamation;
- 1 day prior to spudding;
- 50 feet prior to reaching surface casing depth;
- 3 hours prior to testing BOPE

If the person at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, please contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer Office: (801) 259-6111

Home: (801) 259-2214



Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director 801-538-5319 (TDD)

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340 801-359-3940 (Fax)

September 3, 1993

PETRO-X Corporation P.O. Box 520205 Salt Lake City, Utah 84152-0205

Gentlemen:

PETRO-X 29-3 Well, 695' FNL, 865' FWL, NW NW, Sec. 29, T. 18 S., R. 25 E., Re: Grand County, Utah

Pursuant to Utah Code Ann. § 40-6-6, (1953, as amended) and the order issued by the Board of Oil, Gas and Mining in Cause No. 102-16B dated September 26, 1979, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

- 1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
- Notification within 24 hours after commencing drilling operations. 2.
- Submittal of Entity Action Form, Form 6, within five working days following 3. commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
- Submittal of the Report of Water Encountered During Drilling, Form 7. 4.
- Prompt notification prior to commencing operations, if necessary, to plug 5. and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.
- Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring 6. or Venting, if the well is completed for production.



Page 2 PETRO-X Corporation PETRO-X 29-3 Well September 3, 1993

Trash and sanitary waste should be properly contained and transported to approved disposal locations, not retained in or disposed of in pits on location or downhole. Prior to the commencement of drilling operations, the operator should consult the local/county sanitarian and/or the Department of Environmental Quality, Division of Drinking Water/Sanitation, regarding appropriate disposal of sanitary waste.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-019-31343.

Sincerely,

Associate Director, Oil and Gas

Idc

Enclosures

CC:

Grand County Assessor

Bureau of Land Management, Moab

J.L. Thompson, Field Inspection Supervisor

WOI1

SEP 07 1993

September 2, 1993

Mr. Frank Matthews Utah Division of Oil, Gas, and Mining 355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 DIVISION OF OIL, GAS & MININC

Re: Proposed Seismograph Operations on BLM Grand Resource Area of Moab, Utah

The attached information is for the only Notice that we have received for geophysical operations since last field season.

Re: APDS 43-019-31343 Sec 29 T185, R25E

- 1. APDs for Petro-X 29-1, 29-2, 29-3, and 30-2 wells were approved 8/31/93.
- We received 3 Notices of Staking from Petro-X for the Bookcliff 6, 7, and 8 wells. Petro-X never got the wells staked and no onsites were scheduled. The Notices were returned unprocessed to Petro-X on 8/27/93.
- 3. We did onsites with Saturn Resources for 2 wells on BLM in Danish Flat area on August 5, 1993, and I forgot to notify you or Glenn. There were 2 other wells on private surface and federal minerals that we did not complete any paper work on for surface use plans. I do not know if Saturn will follow up with APDs or not. Attached are Notices for the 4 wells Bison 1, 2, 3, and M6-130. Also attacked Copy of letter from BLM to Saturn on Land Use. Agreements the Rights of way.

Rich McClure



United States Department of the Interior AMERICA

BUREAU OF LAND MANAGEMENT



Moab District
Grand Resource Area
885 South Sand Flats Road
Moab, Utah 84532

3150/1790 (UT-068)

September 2, 1993

Dear Sir/Madam:

Attached is the proposed action for environmental assessment (EA) UT-068-93-136. The EA will address AMPOL Exploration's Notice of Intent to Conduct Oil and Gas Geophysical Exploration Operations (NOI) for shothole operations utilizing truck mounted drills and buggy drills on public lands near Salt Wash. Please review the proposal and comment on potential environmental impacts and mitigation that could occur during geophysical operations.

The 15-day public review period begins today. To be considered, comments must be received in the Grand Resource Area office by 4:30 p.m. on September 16, 1993. Thank you for your participation.

Sincerely,

Area Manager

Enclosure: (1)

Proposed Action UT-068-93-136

AMPOL Exploration NOI for Geophysical Operations Salt Wash Project EA #UT-068-93-136

PROPOSED ACTION

The Notice of Intent to Conduct Oil and Gas Exploration Operations (NOI) submitted by AMPOL Exploration on August 10, 1993, outlined the proposed action for the geophysical operations. The NOI was for one line (93-SW-1) approximately 3 miles long.

Surveyors would locate the proposed shotpoints and geophone stations, and archaeologists would locate and record cultural resources that would be avoided during geophysical operations.

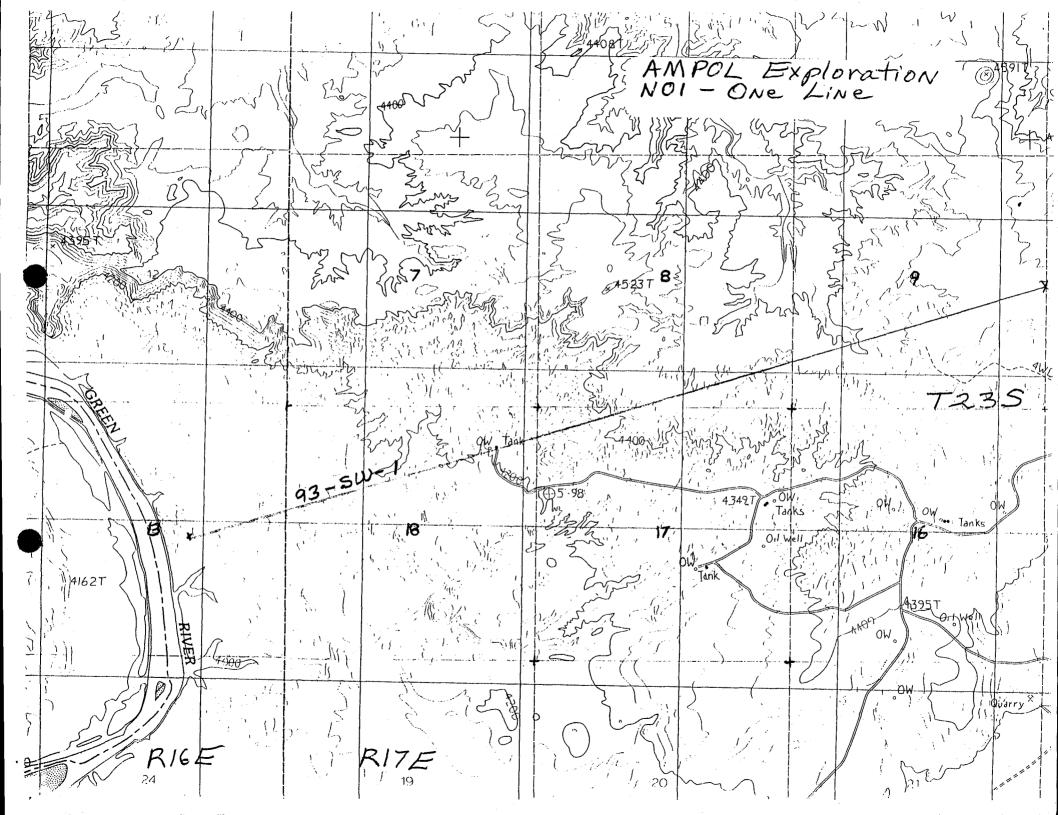
The proposed geophysical operations would utilize the shothole technique. The shotholes would be drilled with conventional truck mounted drills without using equipment to clear or level the ground surface. Buggy drills with large, wide rubber tires would transport drills in steep areas that can not be accessed with conventional drilling trucks. Approximately 12-15 holes per mile would be drilled along the line. The drill trucks would travel cross country along flagged lines to reach the locations for the shotholes. In order to reduce traffic along the lines, only one drill truck would be used on the line. A pickup truck would be utilized to transport fuel and the drilling crew to the drill truck. A rubber-tired vehicle, such as a log skidder, may be needed to pull the drill truck through sandy areas.

All drilling would be with compressed air and no water tanks or pits would be needed. The shotholes would be drilled 60 to 90 feet deep and loaded with 10-20 pounds of explosives. After placing the explosive charge in the hole, the hole would be properly plugged as specified by the State of Utah regulations for Seismic Exploration. Providing no water is encountered while drilling, the hole would be backfilled with the drill cuttings to within 3 feet of the surface and a nonmetallic plug would be installed in the hole. The remaining 3 feet of the hole would be covered with more drill cuttings and soil. Excess drill cuttings would be mixed with the soil and spread over the surrounding area. In the event that water is encountered during drilling, the appropriate State of Utah procedures would be utilized.

Trucks would be driven cross country along the flagged line to transport crews and cables. In areas with rough terrain, a small 4 wheel drive (4WD) military surplus vehicle with a flat bed would be used to transport equipment. The crews would connect geophones to the cables, and cables would be spread along the line. The geophones used for the recording operations would be placed in the ground in between the shotholes. The intervals for geophone stations would be approximately 88 feet. The cables would be connected to the recording instruments mounted on a truck, and the charges in the shot holes would be detonated. After the recording operations are completed, trucks would be used to transport the equipment to the next location. Pin-flags, geophones, flagging, and cables would be removed from the ground surface.

The standard Terms and Conditions for Notice of Intent to Conduct Geophysical Exploration (Form 3150-4a) would be followed. Included in these Terms and Conditions are provisions for avoiding impacts to archaeological sites, maintaining any fences that are crossed, staying 1/4 mile away from springs and wells, handling explosives according to U.S. Bureau of Alcohol, Tobacco, and Firearms (ATF) standards, and following State guidelines for plugging holes.

The shothole operations would begin as soon as the necessary authorizations have been processed. The drilling operations would take an estimated one week, and approximately one week would be needed for the recording operations.



Form 3160-5 (June 1990)

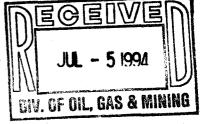
UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPRO	OVED
Budget Bureau No.	1004-0135
Expires: March	31, 1993

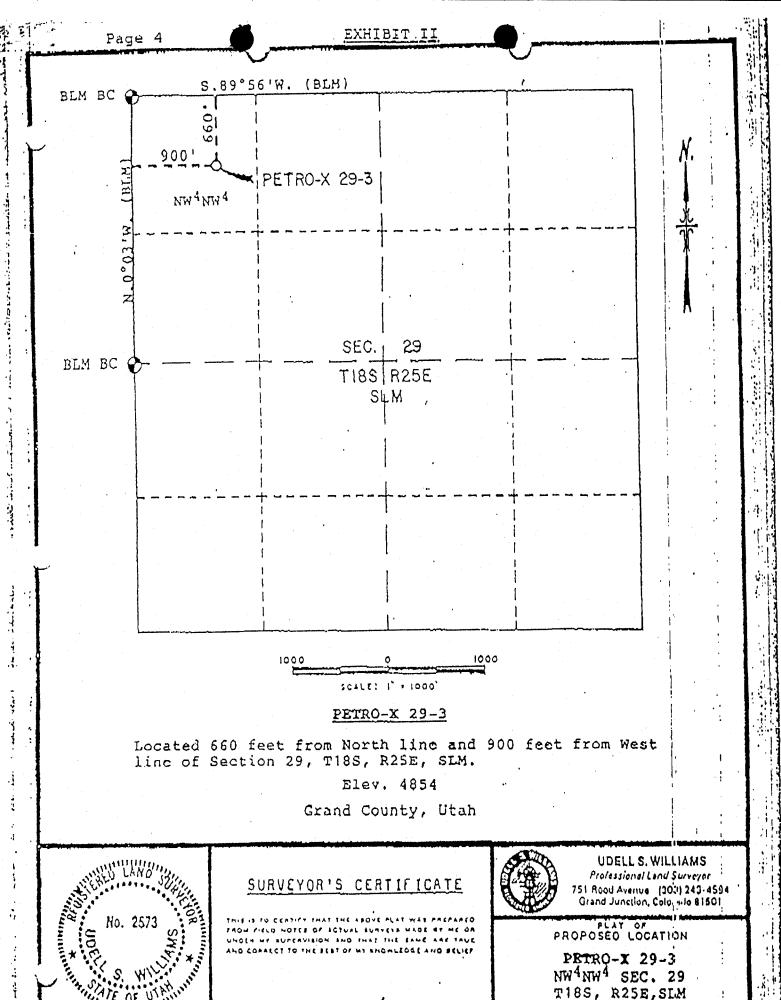
BUREAU OF LAN	ND MANAGEMENT	5. Lease Designation and Serial No.
Do not use this form for proposals to drill o	ND REPORTS ON WELLS or to deepen or reentry to a different reservoir. PERMIT—" for such proposals	6. If Indian, Allottee or Tribe Name
SUBMIT IN	I TRIPLICATE	7. If Unit or CA, Agreement Designation
		8. Well Name and No. 10. Field and Pool, or Exploratory Area 11. County or Parish, State 11. OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other NAME CHANGE Local	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
13. Describe Proposed or Completed Operations (Clearly state all per give subsurface locations and measured and true vertical d	rtinent details, and give pertinent dates, including estimated date of startin lepths for all markers and zones pertinent to this work.)*	g any proposed work. If well is directionally drilled

this Apporto LOCATION NAME to be Changen its follows:

A-29-3



			District Control	DIV. OF OIL	GAS & MI	NING	
						•	
4. I hereby ceruly that the loregoding is vitor and virell. Signed \(\text{Law W \\ \text{Virel} \)	Tule	PRESIDENT			Date <u>G</u>	20/94	
(This space for Federal or State office use) Approved by Conditions of approval, if any:	Title				Date		
Title 18 U.S.C. Section 1001, makes it a crime for any person k or representations as to any matter within its jurisdiction.	nowingly and willful	ly to make to any departme	nt or agency o	of the United States	any false, fictition	ous or fraudulent s	atement



2573

TUNKERSO AT USW DATE: 4/16/93 USW

DATE: 4/17/93

YE HWARD

Form 3160-5

(June 1990) DEPARTM	SENT OF THE INTERIOR SEP 22	FORM APPROVED Budget Burgas No. 1004-0133
BUREAU C	OF LAND MANAGEMENT	Expires: March 31, 1993 5. Leave Designation and Serial No.
SUNDRY NOTICE	ES AND REPORTS ON WELLS	UTU-69950
od you as mis total tot btobossis to	drill or to deepen or reentry to a different reservoir. FOR PERMIT—" for such proposals	6. If tedian, Allonee or Tribe Name
	AIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation
i. Type of Well Oil A Clas Well A Well Other		
2. Name of Operator		S. Well Name and No.
Austin Gas Gathering	Corporation	Alice 29-3
3. Address and Tolephone No.	COLPOTACION	43-019-31343
A Louis of West III		10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey		Harley Dome
600' FNL 900 FWL,	Sec. 29, T18S R25E	11. County or Parish, State
Approved APD 695' I	FNL and 865' FWL	
2. CHECK APPROPRIATE BO	Y(e) TO INDICATE NATURE OF NOTICE REPO	Grand County
	X(s) TO INDICATE NATURE OF NOTICE, REPO	HI, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Nonce of Intent	Abandotement	Change of Plans
Subsequent Report	Recompletion	New Construction
**************************************	L. Plugging Back Casing Repair	Non-Routins Fracturing
First Abandonment Notice	Alterine Casing	Water Shut-Off Conversion to Injection.
	CX Other	Dispose Water
		(Note: Repart results of multiple completion on West Completion or Recompletion Report and Log form.)
Change of Operator	eal pertinent densite, and give pertinent dates, including estimated date of starting rices depths for all markers and aroses pertinent to this work.)* to Austin Gas Gathering Corporat for This APD has been ough 11/31/94	
Signal Cities space for Fuderal op-State office use)	2 row President	Due 9-3-94
Approved by C. Delano Backus Conditions of approval, it say:	ACTINA SSOCIATE DISTRICT Manager CONDITIONS OF APPROVAL A	Due 9-19-94

TOTAL P.04

Austin Gas Gathering Corporation Well No. Alice 29-3 Sec. 29, T. 18 S., R. 25 E. Grand County, Utah Lease U-69950

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Austin Gas Gathering Corporation is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by BLM bond No. UT0983 (Principal - Austin Gas Gathering Corporation) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable <u>until</u> the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

HOAD DISTRICT OF FICE

94 SEP -2 PM 2: 20

DEPARTMENT OF THE MER BUREAU OF LAND MANAGEMENT

SELF-CERTIFICATION STATEMENT

BE ADVISED THAT AUSTIN GAS GATHERING CORPORATION IS CONSIDERED TO BE THE OPERATOR OF WELL NUMBER ALICE 29-3, SECTION 29, TOWNSHIP 18 SOUTH, RANGE 25 EAST; AND WELL NUMBER TBR DOME 30-2 (PETERSON 30-2), SECTION 30, TOWNSHIP 18 SOUTH, RANGE 25 EAST; AND WELL NUMBER ROBLEDO 29-1 (BERGMAN 29-1), SECTION 29, TOWNSHIP 18 SOUTH, RANGE 25 EAST, ALL THREE WELLS UNDER LEASE UTU-69950, GRAND COUNTY, UTAH AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS.

BOND COVERAGE IS PROVIDED BY BOND NUMBER UTAH 587352. (PRINCIPAL AGGC) VIA SURETY CONSENT AS PROVIDED FOR IN 43 CFR 3104.2.

THIS OFFICE WILL HOLD THE AFOREMENTIONED OPERATOR AND BOND LIABLE UNTIL THE PROVISIONS OF 43 CFR 3160.7-2 CONTINUING RESPONSIBILITY ARE MET.

AGGC

ALICE ROBLEDO

PRESIDENT

Division of Oil, Gas and Mining PHONE CONVERSATION DOCUMENTATION FORM

[]	Well FileRng(API No.)	(Return Date) (To - Initials)	
1.	Date of Phone Call: 9-22-3	74 Time:	4:45
2.	DOGM Employee (name) Talked to:	L. Cordove	(Initiated Call 🗐
	Name Carle of (Company/Organization)		
3.	Topic of Conversation: Austin		
			,
4.	Highlights of Conversation:		
	Not negistered.		
	Not registered. Information - No Listing		
	RY / Mash:		
	Austin bas bas	thing Corp.	
	1520 Tram Wa	y Blud NE Ste F	
	albuguergue	y Blud NE Ste F , Mm 87112-6193 3117	
	(505) 31/5-	3117	

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF C	COMPANY: AUSTIN GAS GA	THERING CO.			
WELL NAME	E: <u>A29-3</u>				·
API NO	43-019-31343	<u> </u>			
Section_	29 Township 18S	Range	25E	County_	GRAND
Drilling	Contractor TERRY LE	ACH DRILLING	;	. i.e. i.e.	
Rig #	2				
SPUDDED:	Date 9/27/94				
	Time 1:10 PM				
	HowROTARY	_			
Drilling	will commence				
Reported	by ANDRO ESPARZA				
Telephone	# <u>1-505-7501</u>	·			
Date	10/4/94	SIGNED	JLT		



DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Ted Stewart Executive Director

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340 James W. Carter Division Director 801-359-3940 (Fax) 801-538-5319 (TDD) 801-359-3940 (Fax)

September 28, 1994

Alice Robledo Austin Gas Gathering Corporation 1520 Tram Way Blvd NE, Suite F Albuquerque, New Mexico 87112-6193

Re: Petro-X Corporation to Austin Gas Gathering Corporation

Dear Ms. Robledo:

In reviewing the operator change for the referenced companies, it was determined that your company is not currently registered with the Utah Department of Commerce. This letter is written to advise you of your responsibility to register your company with the state prior to conducting business within Utah. This can be accomplished by contacting:

> Department of Commerce Division of Corporations 160 East 300 South Salt Lake City, Utah 84111 (801) 530-4849

> > Sincerely,

Lisha Cordova Admin. Analyst

cc:

Dept. of Commerce D.T. Staley R.J. Firth Operator File(s) Correspondence File/ldc

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A CANADA SALES	1	ration		
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	(SubmR	In Duplicate)		Congina com cary)
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Casing Rop	air.	Pull or Alter Casing	Casing Repair	□ Pult or Alter Casing
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PETRO+X CORPORATION 399% SOUTH 300 WEST UNIT #51 MURRAY, UTAH 84107

STATE OF UTAH
DEPERTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
355 WEST NORTH TEMPLE
3 TRIAD CENTER, SUITE 350
SALT LAKE CITY, UTAH 84180-1203

ATTN: LISHA CORDOVA

SEPTEMBER 28, 1994

RE: OPERATOR CHANGE

HARLEY DOME 21-1, API# 43-019-3/072-ROBLEDG 29-1, API# 43-019-31345
HANK 29-2, API# 43-019-31342
ALICE 29-3, API# 43-019-31343
TBR DOME 30-2, API# 43-019-31344

GENILEMEN:

PURSUANT TO AN OPERATING AGREEMENT DATED 1 JUNE, 1994, BY AND BETWEEN CERTAIN PARTIES OF INTEREST IN THE ABOVE REFERENCED WELLS, AUSTIN GAS GATHERING CORPORATION, A TEXAS CORPORATION, WITH A BUSINESS ADDRESS OF 1520 TRAMWAY BLVD. N.E., SUITE "F", ALBUQUERQUE, NEW MEXICO 87112, HAS TAKEN OVER THE POSITION AS THE OPERATOR OF RECORD AND WILL BE RESPONSIBLE FOR ALL FILINGS WITH THE BTATE OF UTAH CONCERNING THOSE WELLS AND LOCATIONS.

ATTACHED ALSO FIND A STATE SUNDRY NOTICE AND REPORT ON WELLS.

Jenna C

PRESIDENT

	of Oil, Gas and Mining OR CHANGE HORKSHEET	Routing:
	all documentation received by the division regarding this change. each listed item when completed. Write N/A if item is not applicable.	2- LWP 7-PL 3-20/8/8-SJ
	ge of Operator (well sold) ☐ Designation of Agent ☐ Operator Name Change Only	4- VLC 19-FILE 5- RJF 1/ 6- LWP 1/
The op	erator of the well(s) listed below has changed (EFFECTIVE DATE: <u>9-1-94</u>)
TO (ne	w operator) AUSTIN GAS CATHERING CORP. (address) 1520 TRAM WY BLVD NE STE F ALBUQUERQUE NM 87112-6193 ALICE ROBLEDO, PRES. phone (505) 275-3117 account no. N 2640 (9-23-94) FROM (former operator) (address) PETRO-X COR (address) DEAN CHRIST phone (801) account no.	MA WAY 84124 ENSEN 261-9519
Hell(s) (attach additional page if needed):	
Name: Name: Name: Name: Name:	API: 43-019-31072 Entity: 8213 Sec 21 Twp 18SRng 25E Letank 29-2/DRL API: 43-019-31345 Entity: 99999 Sec 29 Twp 18SRng 25E Letank 29-3/DRL API: 43-019-31342 Entity: 99999 Sec 29 Twp 18SRng 25E Letank 29-3/DRL API: 43-019-31343 Entity: 99999 Sec 29 Twp 18SRng 25E Letank 29-3/DRL API: 43-019-31344 Entity: 99999 Sec 30 Twp 18SRng 25E Letank 29-3/DRL API: Entity: Sec Twp Rng Letank 29-3/DRL Entity: Sec Twp Rng	ease Type: UTU6995 ease Type: UTU6995 ease Type: UTU6995
OPERAT	OR CHANGE DOCUMENTATION	
√,"	(Rule R615-8-10) Sundry or other <u>legal</u> documentation has been receive operator (Attach to this form). (kg. 9-23-94) (kc/d 9-28-94)	d from <u>former</u>
<u>Lec</u> 2.	(Rule R615-8-10) Sundry or other <u>legal</u> documentation has been received from (Attach to this form). (Eq. $(3.9-22-94)$	m <u>new</u> operator
,	The Department of Commerce has been contacted if the new operator above is operating any wells in Utah. Is company registered with the state? (yes yes, show company file number: (9-28-94 felter mailed)	(no) If
	(For Indian and Federal Wells ONLY) The BLM has been contacted regarding (attach Telephone Documentation Form to this report). Make note of comments section of this form. Management review of Federal and Indian changes should take place prior to completion of steps 5 through 9 below.	well operator
<u>fic</u> 5.	Changes have been entered in the Oil and Gas Information System (Wang/IBM) listed above. (9-38-94)	for each well
Lux 6.	Cardex file has been updated for each well listed above. 9-29-94	
Luf 7.	Well file labels have been updated for each well listed above. 9-25-94	
/i	Changes have been included on the monthly "Operator, Address, and Account for distribution to State Lands and the Tax Commission. $(9-38-94)$	
<u>Li</u> 9.	A folder has been set up for the Operator Change file, and a copy of this placed there for reference during routing and processing of the original do	page has been

OPERATOR	CCHANGE WORKSHEET (CONTINUED) Initial each item when completed. Write N/A if item is not applicable.
9	REVIEH
<u>fic</u> 1.	(Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes no) (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
<u>N/A</u> 2.	State Lands and the Tax Commission have been notified through normal procedures of entity changes.
BOND VI	ERIFICATION (Fee wells only)
NA/1.	(Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2.	A copy of this form has been placed in the new and former operators' bond files.
3.	The former operator has requested a release of liability from their bond (yes/no) Today's date 19 If yes, division response was made by letter dated 19
LEASE 3	INTEREST OHNER NOTIFICATION RESPONSIBILITY
ot 5/	(Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated
	Copies of documents have been sent to State Lands for changes involving State leases.
FILMIN	G
1.	All attachments to this form have been microfilmed. Date:
FILING	
1.	Copies of all attachments to this form have been filed in each well file.
2.	The <u>original</u> of this form and the <u>original</u> attachments have been filed in the Operator Change file.
9409;	TS 23 βhm/Moeb άρτν. 9-19-94.

WE71/34-35

STATE OF UTAH
DIVISION OF UTL, GAS AND HINING
ENTITY ACTION FORM - FORM 6

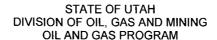
(3/89)

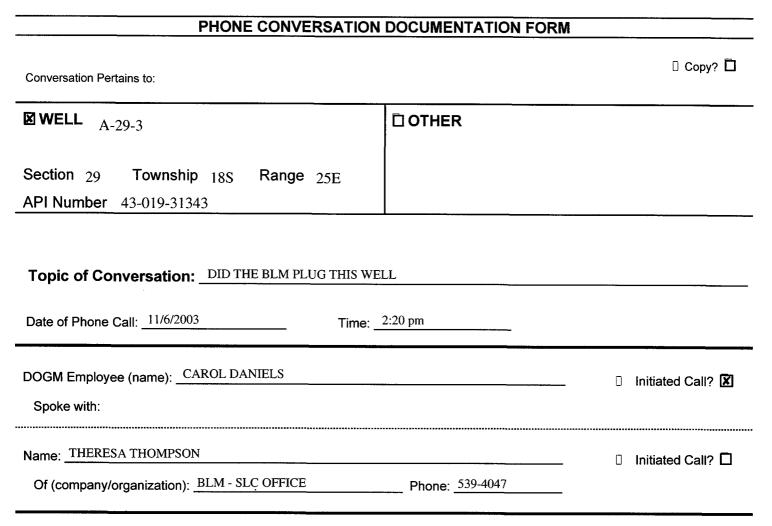
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ACTION CO	ODES (See in	structions	on back of form)				· · · · · · · · · · · · · · · · · · ·				dr	
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C	Re-assign Re-assign	well from o well from o	ne existing entity ne existing entity	to another existing entity						ENG. TECH	. 6	-26-98
L -	ocuei. (ext	olain in conv	ments section)						;	Title	,	Date '
IOTE: Us	e CONNENT s	ection to e	xplain why each Ac	tion Code was selected.					i	Phone No. (}	

OPERATOR

AUSTIN GAS GATHERING CORP

OPERATOR ACCT. NO. N 2640





Highlights of Conversation:

THERESA SAID THE BOND RELINQUISHED BACK TO THE BLM BY AUSTIN GAS GATHERING CORP WOULD BE AT THE BLM OFFICE IN MOAB AND THE BOND AMOUNT WOULD NOT BE SUFFICIENT TO COVER THE COST OF PLUGGING THE WELL. AS A RESULT, THE WELL HAS PROBABLY BEEN PLACED ON THE ORPHAN LIST BECAUSE THE BLM DOES NOT HAVE THE FUNDS TO PLUG THE WELL. SINCE THEIR ARE NO FUNDS, SHE SAYS THE WELL PROBABLY HAS NOT BEEN PLUGGED.

MEMO TO FILE

December 9, 2003

To:

Well File:

A-29-3

API 43-019-31343 29-T18S-R25E

Grand County, Utah

From:

Don Staley

Re:

Orphan Well Status

Based on conversations with BLM personnel, division management made the decision on November 18, 2003, that this well should be moved from Austin Gas Gathering (N2640) to Orphan – No Responsible Operator (N9999). Documentation was obtained from Marie McGann, BLM Moab Field Office, on November 19 2003 to confirm that the BLM has classified this federal lease well as an orphan. The operator was changed in the division's computer database to N9999 on December 9, 2003.

Attachment (BLM documentation)

ORPHAN WELL LISTING as of 4/17/03

<u>Lease</u>	Well	API#	Location
UTU034745	Fed 3 Fed 4	4301930040 4301930717	SWSW Sec. 29, T20S, R24E SWSW Sec. 29, T20S, R24E
UTU070752	Keas 2 Keas 3A Keas 8	4301915097 4301915098 4301931113	SESE Sec. 5, T20S, R24E SESE Sec. 5, T20S, R24E SESE Sec. 5, T20S, R24E
UTU38366	1	4301920092	SWNW Sec. 14, T20S, R24E
UTU26420	17-1 (aka 17-2)	4301930997	NENW Sec. 17, T21S, R24E
UTU38365	9-2A	4301931150	SENE Sec. 9, T20S, R24E
UTU24606	25-5	4301931145	SENE Sec. 25, T20S, R23E
UTU49684	21-1	4301931072	SWSW Sec. 21, T18S, R25E
UTU69951	Lansdale 8	4301930037	NWSW Sec. 27, T18S, R25E
UTU69950	29-3	4301931343	NWNW Sec. 29, T18S, R25E
UTU69423	Lansdale 3	4301915597	SWNE Sec. 3, T21S, R23E

List sent via email to Mike Hebertson -- DOGM by

Marie McGann BLM Moab Field Office 435-259-2135

on 11/19/2003

with the following comments:

Attached is an Excel spreadsheet of the Moab Field Office orphan wells. Please let me know if you have any questions.